REMARKS/ARGUMENTS

The Applicant thanks the Examiner for the Office Action July 27, 2007.

Notwithstanding the newly raised rejection under 35 USC 112, this latest Office Action appears to be a repetition of the Office Action mailed on December 15, 2006.

As far as can be told from the Examiner's "Response to Arguments", it appears that the Examiner has not given any patentable weight to those features, which are alleged *not* to be positively recited in claims 1 and 29.

Claim Amendments

In response to the maintained rejections under 35 USC 103, the Applicant has recast claims 1 and 29 to make it unequivocally clear that each feature recited in the claim (and on which the Applicant relies) forms part of the claimed method or system.

Basis for the amendments to claims 1 and 29 can be found in the claims previously on file. The Applicant has merely recast these claims to give each feature patentable weight in view of the cited prior art. Further basis for the additional features of claim 29 can be found at page 18, line 16; page 34, lines 16-19 ("image sensor"); page 72, lines 26-30 ("processor"); and page 71, line 10 ("transmitter").

Trivial amendments have been made to some of the dependent claims, and claims 33-35 have been cancelled.

Claim Rejections - 35 USC § 112

The claim language of "at least some" has been removed from claims 1 and 29.

Claim Rejections - 35 USC § 103

With the scope of claims 1 and 29 now clarified, the Examiner is requested to give consideration to the Applicant's previous arguments submitted on this case. In particular, the Examiner is requested to give due consideration to the definition of the Applicant's tags and the indicating data which is transmitted from the pen. These features cannot be found anywhere in either of Perazza or Sekendur, because neither of these document combines position data and bill identity data into each tag printed on a bill.

Nevertheless, for the Examiner's convenience the Applicant's previous arguments in respect of Perazza and Sekendur are provided below.

The Applicant notes that Perazza requires a bill document to be filled in by a conventional marking pen, mailed to a payer's bank (column 15, lines 40-42) and scanned by a conventional optical character reader (column 16, lines 49-51).

In other words, Perazza uses well-known barcode technology to facilitate banking services. It must be fairly said that conventional barcode technology is at the heart of Perazza's system. Each piece of account information derived from Perazza's form is encoded in conventional barcodes encoding a Bill Payer's account number and each Biller's account number (column 16, lines 32-34).

Thus, Perazza's form is identified by barcodes individually encoding account information. As regards the user input, Perazza goes on to state that:

> *Although the most efficient and reliable way of reading individually written numbers is the use of barcoded information, handwriting recognition algorithms have been developed which are relatively accurate.*

Perazza, then, recognizes that user input user may be captured by handwriting recognition protocols. Equally, it might be reasonable for Perazza to employ Sekendur's method of capturing handwriting by using encoded x-y coordinates.

However, where the present invention differs is that there is no separate barcode that needs to be scanned in order to identify account information. As specified in claim 1, "each tag contains coded data indicative of an identity of the bill and a location of that tag on the bill".

Hence, the present invention combines bill identity and location data into *each* tag printed on the bill. The result is that there is no need for a separate barcode identifying the bill.

There is no teaching or suggestion in Perazza to somehow combine his barcoded account information into the user input fields. In short, it would be impossible for Perazza to do so. Even if Perazza decided to modify his form by incorporating the teachings from Sekendur, he would still not arrive at the present invention. That would require incorporating bill identity data into Sekendur's x-y position tags. Neither Perazza nor Sekendur provides the skilled person with any motivation to do this.

In addition, it should be pointed out that to arrive at the present invention requires a change in the principle of operation of Perazza (MPEP 2143.01). Perazza relies on an optical reader scanning barcoded account information and then correlating user input to this account information. In this regard, the Examiner is respectfully referred to *In re Ratti*, 270 F.2d 810, 123 USPQ 349, where it was held that a combination is not obvious if the "suggested combination of references would require a substantial reconstruction and redesign of the elements shown in [the primary reference] as well as a change in the basic principle under which the [primary reference] construction was designed to operate." The reconstruction and redesign of either Perazza's barcodes or Sekendur's x-y position code to end up at the present invention unequivocally leads to a change in the basic principle under which Perazza was designed to operate. In such circumstances, the Applicant submits that the combination of prior art references cannot be lead to a finding of obviousness.

It is respectfully submitted that all of the Examiner's objections have been successfully traversed. Accordingly, it is submitted that the application is now in condition for allowance. Reconsideration and allowance of the application is courteously solicited.

Very respectfully,

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